



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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J. TYLER McCAULEY
AUDITOR-CONTROLLER

May 16, 2006

TO: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: Cash Flow Projection

Attached is the latest cash flow projection for the General Fund and Hospital Funds. The estimated June 30, 2006 combined cash balances for the General Fund and Hospital Funds are positive \$1.066 billion. This amount has been increased by \$545 million from the previous month's estimate of \$521 million. The increase is attributable to anticipated revenue collections associated with the Department of Health Services (DHS). Although such revenues were assumed in the DHS Budget for 2005-06, there was some uncertainty relative to receiving cash flows on or before June 30, 2006. DHS has worked closely with the State in recent months and we now believe it is probable that these cash receipts (which are primarily associated with the SB855 program) will materialize within the next 45 days.

Short-Term Outlook

Our previous report estimated the April 30, 2006 cash balances at positive \$534 million. The actual cash balances were \$591 million, or \$57 million higher than anticipated. This variance was primarily related to property tax collections that exceeded estimates. The estimated May 31, 2006 cash balances are positive \$788 million.

We will continue to monitor the County's cash position for the remainder of this fiscal year. We are also working with the CAO and the Treasurer and Tax Collector to develop cash flow projections for the next fiscal year. If you have any questions, please call.

JTM-JN-leh
Admin/cfp2

Attachment

c: David E. Janssen
Mark J. Saladino
Sachi A. Hamai
Bruce A. Chernof, M.D.

**GENERAL FUND
HOSPITAL FUNDS
MONTHLY CASH FLOW PROJECTION**
(in thousands)

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL		
Description	July 2005	August 2005	September 2005	October 2005	November 2005	December 2005	January 2006	February 2006	March 2006	April 2006	May 2006	June 2006
General Fund : Beginning Cash	\$ 1,241,153	\$ 1,261,166	\$ 1,032,306	\$ 763,434	\$ 340,692	\$ (94,322)	\$ 174,098	\$ 559,038	\$ 471,091	\$ 380,571	\$ 498,427	\$ 672,529
Receipts	1,497,271	694,990	766,587	722,380	599,291	1,441,547	1,522,901	1,047,764	1,103,354	1,366,350	1,354,569	1,796,811
Disbursements	(1,477,258)	(923,850)	(1,035,459)	(1,145,122)	(1,034,305)	(1,173,127)	(1,137,961)	(1,135,711)	(1,193,874)	(1,248,494)	(1,180,467)	(1,508,450)
Month End Cash	\$ 1,261,166	\$ 1,032,306	\$ 763,434	\$ 340,692	\$ (94,322)	\$ 174,098	\$ 559,038	\$ 471,091	\$ 380,571	\$ 498,427	\$ 672,529	\$ 960,890
Hospital Funds : Month End Cash	106,408	173,572	106,907	118,935	107,655	103,982	74,520	108,586	112,921	92,682	115,000	105,000
Total Month End Cash	\$ 1,367,574	\$ 1,205,878	\$ 870,341	\$ 459,627	\$ 13,333	\$ 278,080	\$ 633,558	\$ 579,677	\$ 493,492	\$ 591,109	\$ 787,529	\$ 1,065,890